

§ 9401.105 Additional rules concerning outside employment for Bureau attorneys.

(a) *Prohibited outside practice of law.* In addition to the prior approval requirements under § 9401.103 and the outside employment restrictions under § 9401.104 of this part, an employee serving in an attorney position shall not engage in the practice of law outside his or her official Bureau duties that might require the attorney to:

(1) Take a position that is or appears to be in conflict with the interests of CFPB; or

(2) Interpret any statute, regulation, or rule administered or issued by the Bureau.

(b) *Exemption for self representation.* Nothing in this section prevents a Bureau attorney from acting as an agent or attorney for or otherwise representing himself or herself in the outside practice of law, except:

(1) In those matters in which the employee has participated personally and substantially as a Government employee; or

(2) In those matters which are the subject of the employee's official responsibility.

§ 9401.106 Prohibited financial interests.

(a) *Prohibited interests.* Except as permitted by this section, an employee or an employee's spouse or minor child shall not own or control a debt or equity interest in an entity supervised by the Bureau.

(b) *Exceptions.* Interests prohibited in paragraph (a) of this section do not include the ownership or control of a debt or equity interest in:

(1) *Mutual funds.* A publicly traded or publicly available mutual fund or other collective investment fund if:

(i) The fund does not have a stated policy of concentration in the financial services industry or the banking industry; and

(ii) Neither the employee nor the employee's spouse exercises or has the ability to exercise control over or selection of the financial interests held by the fund.

(2) *Pension plans.* A widely held, diversified pension or other retirement fund that is administered by an inde-

pendent trustee or custodian. Such a fund is diversified if it holds no more than 5% of the value of its portfolio in the securities of any one issuer (other than the United States Government) and no more than 20% in any particular economic or geographic sector (other than the United States).

(3) *Federal retirement and thrift savings plans.* Funds administered by the Thrift Plan for Employees of the Federal Reserve System, the Retirement Plan for Employees of the Federal Reserve System, the Thrift Savings Plan, or a Federal government agency.

(c) *Disqualification.* If an employee or an employee's spouse or minor child owns or controls a debt or equity interest that is prohibited under paragraph (a) of this section, the employee shall immediately disqualify himself or herself from participating in all particular matters involving an entity with which the employee or the employee's spouse or minor child has a debt or equity interest, unless and until the employee is granted a waiver pursuant to paragraph (d) of this section and the waiver includes an authorization allowing the employee to participate in such matters.

(d) *Waivers.* Upon request by the employee, the DAEO has the authority to grant an individual waiver under this paragraph, which authority may be delegated only to the Alternate DAEO. The DAEO, in consultation with senior management in the Division in which the employee works, may issue a written waiver permitting the employee or the employee's spouse or minor child to own or control a particular debt or equity interest that otherwise would be prohibited by this section, if:

(1) Mitigating circumstances exist due to the way the employee or the employee's spouse or minor child acquired ownership or control of the debt or equity interest. Mitigating circumstances may include, but are not limited to:

(i) The employee or the employee's spouse or minor child acquired the debt or equity interest through inheritance, gift, merger, acquisition, or other change in corporate structure, or otherwise without specific intent on the part of the employee or the employee's spouse or minor child; or